

CHAPTER 8
FINANCE:
DISBURSING DIVISION

1. TASK - Change Business Date (only after all FSO/Reserve DD Forms 2657, Daily Statement of Accountability, are balanced and received).

a. OPLOC:

(1) Change business day in the Integrated Paying and Collecting (IPC) system using the IPC Change Business Date Screen (DFAS-DE 7077.6-M).

(2) Change Exchange Rate in IPC using the IPC Base Variable File, Option L, IPC Currency Exchange Rate Screen (DFAS-DE 7077.6-M).

b. FSO:

Not applicable.

c. ANG:

Not applicable.

2. TASK - Process Daily Collections.

a. OPLOC:

NOTE: Disbursing Officer (DO) will be responsible for appointment of agents (unless delegated in Deputy Disbursing Officer's (DDO) appointment letter). Cashier function will only apply in the event cash/negotiable instrument collections are received. Personnel performing cashier duties will be appointed as cashiers. There is no cash disbursement function.

b. FSO:

(1) Advance cash to the cashier using DD Form 1081, Statement of Agent Officer's Account, if applicable.

(2) DDO updates the cashier balance in IPC.

(3) Collect funds: Receive and verify funds to ensure they match the collection voucher. Sign the voucher above the DO's name and provide the individual with a copy.

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(4) Input voucher into IPC. Reference DFAS-DE 7077.6-M.

(5) Safeguard funds and vouchers until returned to DDO. Safeguard funds as prescribed in written instructions provided by the Deputy Director for Finance (DoDFMR 7000.14-R, Volume 5, section 0303) and AFI 31-209.

(6) Prepare SF 215, Deposit Ticket, for negotiable instruments collected during the day. Reference DoDFMR, Volume 5, paragraph 050301 and Heads Up Message (HUM) #1, part A, paragraph 6 dated December 1996 .

(7) Verify SF 215 received from other agencies.

(a) Review the SF 215 for accuracy; ensure the DSSN is accurate; cross check the amount to the DD Form 1131, Cash Collection Voucher, and input into the IPC system (DFAS-DE 7077.6-M).

(b) Sign collection and annotate "deposit" on DD Form 1131.

(8) DDO verifies SF 215 and makes deposit at the local depository.

(9) A cost-effectiveness study must first be done before credit card collections can be accepted. If the study reflects credit card use to be cost effective, the study and a request for implementation are forwarded to the DO for endorsement. If the DO approves the request, forward to DFAS-DE for final approval (DoDFMR 7000.14-R, Volume 5, paragraph 240402).

(a) Process daily credit card transactions in accordance with DoDFMR, Volume 5, paragraph 240403. Ensure the DD Form 1131 is accompanied by the yellow agency copy of the SF 215. This copy is the suspense copy.

(b) Process rejected credit card transactions as follows:

1 Originator prepares a negative collection voucher citing the funds on the original collection.

2 The SF 5515, Debit Voucher, substantiates the negative collection voucher.

3 Post to the DD Form 2657, as an increase to line 4.2B and a decrease to the appropriate refund/reimbursement line.

c. ANG:

ANG will act as agents in the event of an emergency or contingency in accordance with prescribed directives.

d. AFRES:

Forward collection vouchers and supporting documentation to the OPLOC for processing. All negotiable instrument collections must be sent to the OPLOC. For cash collections, see FSO instructions.

3. TASK - Perform Accommodation Sales (As Required).

a. OPLOC:

Not applicable.

b. FSO:

(1) Record transactions for purchase of Foreign Currency on DD Form 2663, Foreign Currency Control Record (DoDFMR 7000.14-R, Volume 5, section 1601).

(2) Enter into IPC using the Accommodation Exchange Processing Screen (DFAS-DE 7077.6-M).

(3) Maintain DD Form 2663 (DoDFMR, Volume 5, paragraph 160103).

(4) Make the exchange (DoDFMR 7000.14-R, Volume 5, paragraph 120304). The cashier ensures the rate used is the current prevailing rate. Makes the exchange, and completes the DD Form 2664, Currency Exchange Record (DoDFMR, Volume 5, paragraph 120304.D).

(5) Prepare gain/loss voucher (manual) (DoDFMR 7000.14-R, Volume 5, paragraph 130401.D).

(6) Reverse exchanges (DoDFMR 7000.14-R, Volume 5, paragraph 120304.E).

(a) The cashier ensures that the maximum dollar amount is not exceeded. Count foreign currency returned and make the exchange at the current prevailing exchange rate. Complete DD Form 2664 (Cash Exchange).

(b) Count foreign currency, compute the appropriate dollar amount, complete OF 1017G, Journal Voucher, (W Voucher), and prepare Treasury check (check exchange).

c. ANG:

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Not applicable.

4. TASK - Emergency Cash/Check Payment Procedures.

a. OPLOC:

(1) There will be minimal check processing at the OPLOC unless DFAS-DE is unable to process checks, or an AFSCAPS payroll is involved.

(2) There will be no cash payments made at the OPLOC.

(3) Semimonthly, as part of Level 8 processing, review the missing check report to ensure the FSO is not abusing the use of their emergency check stock.

b. FSO:

NOTE: The FSO is responsible for the processing of Merged Accountability and Reporting System (MAFR) for all types of emergency payments.

(1) Review voucher for completeness: Ensure voucher is numbered, properly brief blocked, properly certified, and amount paid equals appropriation charged less any voucher deduction and the appropriate numbers of copies are attached (DoDFMR 7000.14-R, Volume 5, paragraph 110203). Certifying officials for services payments must be on letter of appointment from the DO.

(2) Identify and obtain signature as required in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 110205.A.1.

(3) Input voucher into IPC: Reference DFAS-DE 7077.6-M.

(4) Safeguard funds and vouchers until returned to DDO. Safeguard funds as prescribed in written instructions provided by the Deputy Director for Finance (DoDFMR 7000.14-R, Volume 5, section 0303) and AFI 31-209.

(5) Examples of emergency cash/check payments are as follows:

(a) Advances to Paying Agents, Imprest Fund Cashiers, and Change Fund Custodians.

(b) Payments for short notice separations, (Sundowners).

(c) Permanent change of station cash advances for Air Education & Training Command (AETC) pipeline students in a self-paced school, who haven't been issued travel charge cards.

(d) Payments for short-notice deployments and mobile repair unit deployments (for emergency aircraft maintenance), who haven't been issued travel charge cards.

(e) Partial and casual payments (primarily to AETC pipeline students and accessions).

(f) Payments for those travelers who have not been authorized or refused travel charge cards while the travel charge card program is still optional.

(g) Additional per diem payments for travelers who have been extended or whose travel plans change, and they don't have a travel charge card.

(h) Countries who insist on being paid cash for merchandise and services (i.e. jet propulsion fuel and landing fees).

(i) Death gratuity check payments.

(j) Payments for mass deployments.

(k) Checks for buying an activity's cash during an evacuation (e.g. AAFES, MWR Services and Commissary).

(l) Accepting and making change for cash and check collections for travel debts, trailer lot payments, and base housing damage.

(m) Payments for services type contracts which have been preapproved by the OPLOC (if possible).

(n) Others as approved by the DDO.

(6) Cashier receives voucher from appropriate functional area.

(7) DDO issues check to cashier and records on Blank Check Control Log.

(8) Cashier prepares manual check and enters manual check payment into IPC using Check Voucher Processing Screen. IPC payment method "M" will be used. Payment method "I" or "D" cannot be used without prior coordination and approval by the Operating Location, Disbursing Division.

(9) DDO verifies check to voucher and hand signs the check.

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(10) DDO logs the check on DD Form 2658, Returned and Undeliverable Check/Bond Record, and gives check to cashier for disposition.

NOTE: EFT isn't considered an acceptable payment media for "emergencies". Emergencies are situations which warrant an immediate, pay-as-you-wait check or cash disbursement.

c. ANG:

Will act as agents in the event of an emergency or contingency in accordance with prescribed directives.

5. TASK - Process Centralized Returned and Undeliverable Checks

a. OPLOC:

NOTE: All checks printed at the centralized check printing site will be mailed using one set of envelope stock printed with the Denver Center (DFAS-DE) return address. All returns will come back to the Denver Center for control and disposition. Returned checks are logged into the DFAS-DE Returned Check and Bond (RC&B) System by the Denver Center. All related check record data is automatically transferred from the check history file to complete entry into the log.

Access the RC&B system daily, research all returns, and take appropriate actions, and update to provide disposition instructions (normally to remail) and/or address changes, if applicable. The RC&B system will retain an on-line audit trail of address changes.

NOTE: The RC&B technician will carry out requested disposition instructions for returned instruments, i.e., the Denver Center will return checks identified for cancellation to the OPLOC.

b. FSO:

Same as OPLOC.

c. ANG:

Will assist OPLOC as necessary.

6. TASK - Automated EFT Processing.

a. OPLOC:

(1) Process automated EFT file (e.g. AFSCAPS) into FEDLINE (or other electronic means).

(2) Process rejected EFT transactions.

(a) Daily retrieve the Automated Clearing House (ACH) Reject Statement from FEDLINE, and provide annotated copies to the functional areas. (Travel Rejects go to Travel Accounting for collection).

(b) Identify the functional area and location which originated the EFT transaction. Compare trace numbers on ACH Reject Statement to the EFT Payment Listing and locate the corresponding voucher number. This identifies the base and functional area.

(c) The applicable functional area will research each reject and provide collection voucher(s) within 2 days.

(d) Rejected EFTs will be collected on the day and time designated by the OPLOC. The collection must cite 57X6875.EFTR for military pay payments.

(e) Provide Disbursing at the FSO with the deposit ticket number and date applicable to each days rejects. The FSO will post rejected EFTs to line 4.2A on the same business day as the collection voucher is processed. Site code "00" will only account for those rejects they collected. The consolidated DD Form 2657, Daily Statement of Accountability, will reflect the overall totals.

(f) If an incorrect, improper, erroneous, or duplicate item has not been returned/rejected back to you within 48 banking hours of transmission, take immediate action yourself to recover the item.

(3) If the payee is claiming nonreceipt, a trace must be requested from the servicing Federal Reserve Bank. The request must at least contain the following:

- (a) File Name (number).
- (b) File Date.
- (c) Effective (settlement/payment) Date.
- (d) Customer (employee/associate/military member) Name.
- (e) Trace number of Item.

b. FSO:

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- (1) Follow instructions from the OPLOC.
- (2) Assist OPLOC in performing EFT trace research for EFT rejects.
 - (a) Verify routing and account number is correct.
 - (b) Contact receiving bank on status.

c. ANG:

Same as FSO.

7. TASK - Processing Payments Via the OPLOC.

a. OPLOC:

(1) Process all internal EFT payments via IPC. At the time designated create EFT files. These files will consist of all EFT payments input by the OPLOC and all sites. Only EFT payments initiated by the OPLOC will go on site code "00"'s DD 2657. Each FSO is responsible for recording their EFT payments on line 4.2B. The OPLOC will provide the FSO with SF 5515, Debit Voucher, information.

(2) Process all internal check payments via IPC. At the time designated balance all check payments. Receive validated totals from the FSO. This process will include the OPLOC and all sites. Once the checks are in balance, send the check images to DFAS-DE for centralized check processing. Print local checks if applicable. Only check payments initiated by the OPLOC will go on site code "00"'s DD Form 2657. Each FSO is responsible for recording their check payments on line 2.1A.

b. FSO:

(1) Process payment files and manual payments into IPC by the time designated by the OPLOC. Select either payment method of "check" or "EFT."

(2) The FSO will record all EFT and check payments they initiated on the appropriate 2.1A or 4.2B line of their DD Form 2657. The FSO will request payment listings for their site ID to reflect the amount of EFT and check payments annotated on the daily DD Form 2657.

(3) Ensure all payment vouchers are reviewed and contact OPLOC with payment information when completed. Send validated totals to OPLOC.

c. ANG:

(1) Ensure all payment vouchers are reviewed and contact OPLOC with payment information when completed. Send validated totals to OPLOC. This is performed by personnel outside of travel.

(2) Upload payment files to mainframe by the time designated by the OPLOC. These files include both check and EFT payments.

(3) Forward SATO vouchers to the OPLOC for payment and disposition.

8. ★TASK - Process Daily U.S. Treasury/LDA Checks.

NOTE: Check Payments are scheduled 1 business day ahead.

a. OPLOC:

(1) Receive check writing information from the Integrated Accounts Payable System (IAPS), Automated systems, and manual input by Treasury Operations Branch personnel for vouchers received from other OPLOC functional areas, and FSO. On the time designated, at least one day before the business date.

(2) Enter Manual vouchers into IPC using Check Voucher Processing Screen. Input Payment Method of "D".

(3) Input beginning check number.

(4) Produce and verify payment and, if necessary, Unpaid Voucher Report showing voucher numbers and amounts by section for OPLOC and all FSOs (DFAS-DE 7077.6-M).

(5) Centralized Check and Bond Printing (CCBP):

★NOTE: The CCBP check files are due by the time designated by DFAS-DE/O. Payment processing should not be accomplished until the OPLOC has performed all necessary balancing. Once payment processing is initiated, the file created is automatically transmitted to Denver. At this point, no changes are allowed. If a file is

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transmitted in error, contact DFAS-DE/OCSL immediately. If emergency corrective action is to change a status record in CCBP then a written authorization from the DO is needed by DFAS-DE/OC.

(a) ★Select Payment Processing in IPC; follow the instructions provided in DFAS-DE 7077.6-M.

(b) ★Ensure beginning check number entered equals the next check number for central site check stock. A "Y" is entered in the field labeled Check Printing at the Central Site.

(c) ★Sign on to the CCBP system to monitor the status of the file once it has been transmitted to Denver. When the check file shows the file status as "RECD," revalidate the beginning check number, number of checks, and total dollar amount shown on the CCBP screen.

(d) ★If the CCBP system has received and rejected the file, view the check file error message screen for possible cause. Then, run recovery in IPC. It is the ultimate responsibility of Disbursing to ensure print files are sent and received in an error-free condition at the centralized check printing site. If a file fails to pass centralized check printing edits, Disbursing, with assistance from the Centralized Site Liaison Office, determines the cause of the failed edit, makes the appropriate corrections, and retransmits as necessary. Files must be corrected and retransmitted on a timely basis. Under no circumstance will the OPLOC Disbursing Office be allowed to update the check status screen.

(e) ★The OPLOC Disbursing Office will instruct DFAS-DE/OCSL to pull checks for cancellation and return. This also includes checks pulled for address changes from the current business day. When notified, the Liaison Office will pull the checks and load into the Returned Check and Bond (RC&B) System. The OPLOC or FSO will then provide the correct address by using the RC&B System. This procedure provides an on-line audit trail of check address changes. Only checks requiring special handling, i.e., Federal Express, Priority Mail, and Emergencies will be exceptions.

(6) Check printing program:

NOTE: AFSCAPS payroll checks will be produced at the OPLOC until the bases have been converted to DCPS. DFAS-DE/OC will print all other checks for the Operating Location. However, the OPLOC will have the capability to print checks as a contingency operation. The following paragraphs summarize that capability.

(a) Print checks (on printer located in Treasury Operations Branch).

(b) Specify currency code for LDA/Treasury checks.

(c) IPC passes check number information back to IAPS. IAPS retains the check number in history for 6 years and 3 months.

(7) Attachments pertaining to automated and manual vouchers input at the FSO are sent to payee under separate cover by the Functional Area that initiated the payment .

(8) Pass SMA Payment Data Report for all sites, to DFAS-DE/WA for conversion to microfiche. Procedures for creating and transmitting the SMA report file to DFAS-DE are in DFAS-DE 7077.6-M.

b. FSO:

(1) Upload any automated payment files into IPC for payment by DFAS-DE. Input any manual vouchers into IPC for payment.

(2) Notify the OPLOC Disbursing Section, when the prescan report is in balance.

(3) Maintain original vouchers in voucher number sequence in a locked container until the end of the month.

c. ANG:

(1) Transfer automated files to the Mainframe for upload into IPC by OPLOC Disbursing.

(2) Maintain original vouchers in voucher number sequence in a locked container until the end of the month.

9. TASK - Preparation of Treasury Checks for Cash.

a. OPLOC:

There will be no checks for cash at the OPLOC.

b. FSO:

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(1) Process OF 1017G, Journal Voucher (W* Voucher) (DoDFMR 7000.14-R, Volume 5, section 0705): If purchase is for foreign currency, prepare a DD Form 2664, Currency Exchange Record, for purchases of foreign currency.

(2) DDO records issuance of check on Blank Check Control Log and gives check to cashier.

(3) Cashier prepares manual check and inputs into IPC (Check Voucher Processing Screen, DFAS-DE 7077.6-M).

(4) Financial Services Office will not have control checks. If errors are made, void the check, repeat step 2, and retype (manual).

(5) DDO verifies and hand signs check, obtains cash, and updates cash balance in IPC using Vault Update Screen (DFAS-DE 7077.6-M).

c. ANG:

Not applicable.

10. TASK - Balance Cashier Accountability.

a. OPLOC:

Balancing is only required if some daily collections have been received and deposited per Task 2, above.

b. FSO:

(1) Step by step instructions for the cashier to balance accountability are as follows (DoDFMR 7000.14-R, Volume 5, chapter 19, paragraph 190102):

(2) Review ending balances in IPC and determine if any cash needs to be returned to the DDO (e.g., balance is over \$10,000 or more).

(3) Total disbursement vouchers and compare to the disbursement vouchers total on the Cashier Assignment/Adjustment Screen or Cashier Daily Summary.

(4) Total collection vouchers with and compare to the collection vouchers total on the Cashier Assignment/Adjustment Screen or Cashier Daily Summary.

(5) Total all deposits and minus out debits and compare the total to the deposits less debit vouchers total for dishonored checks and deposits to the total on the Cashier Assignment/Adjustment Screen or Cashier Daily Summary.

(6) Total checks/negotiable instruments with a calculator and compare total checks to the total on the Cashier Adjustment Screen or Cashier Daily Summary.

(7) If there are any discrepancies, research and correct.

(8) Count and verify remaining cash balance (end of business day).

(9) Compare this end of business day figure on the Cashier Assignment/Adjustment Screen or Cashier Daily Summary to actual cash.

(10) Turn in all cash (if applicable), vouchers, negotiable instruments, deposit tickets, and debit vouchers to Deputy, utilizing DD Form 1081, Statement of Agent Officer's Accountability.

(11) Deputy receives and verifies all vouchers, negotiable instruments, SF 215 and SF 5515 to ensure accuracy.

(12) Deputy verifies totals of all items provided by the cashier and compares them to the cashier assignment screen in IPC print. If totals agree, process returns via Option "C" from the Cashier Assignment/Adjustment Screen within the IPC system. Request a printout of Cashier Status Report. Accomplish certifications on the Cashier Status Report. Sign the DD 1081.

c. ANG:

Not applicable.

11. TASK - Balance Overall Daily Accountability.

Preparation of DD Form 2657, Daily Statement of Accountability:

a. OPLOC:

(1) Obtain IPC "Voucher Control Log" for your site code (Print Menu 1). If any vouchers are missing or if erroneous voucher numbers exist, research and correct. (DoDFMR 7000.14-R, Volume 5, paragraph 110202).

(2) Obtain IPC payment listing (Print Menu 1). This report will provide a total of all checks for your site code. Subtract the "W" voucher amount from this total to get total for line 2.1A. The voucher amount for the "W" voucher will go on line 2.1B.

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(3) Obtain from the IPC System, print menu 2, option H, Part 2, Appropriation Accountability Report, to input information for lines 4.1A - 4.1E of the DD Form 2657. The titles of each line (DD Form 2657) correspond to a column on Part II DoDFMR 7000.14, Volume 5, chapter 19, paragraph 190204.K through O. Periodically, Part IV, (Appropriation Accountability Report), should be requested to ensure the cumulative totals on the DD Form 2657 are in agreement. Parts 1 and 3 of the Appropriation Accountability Report does not have to be printed unless Disbursing is out of balance or some other functional area needs it.

(4) Line 4.2A, Deposits Presented or Mailed to Bank, on the DD Form 2657 must equal the collective total of all SF 215, Deposit Tickets processed through the Disbursing Division for the current business day (DoDFMR 7000.14-R, Volume 5, paragraph 190204.Q and P301900Z, Oct 96).

(5) Line 4.2B, EFT Debit Vouchers, on the DD Form 2657 should equal the total of all EFT and negative collection SF 5515s. The result is reflected as a negative balance on this line (DoDFMR 7000.14-R, Volume 5, paragraph 190204.R and P301900Z, Oct 96).

(6) Line 6.1, Designated Depository, balance will agree with the DD Form 2663, Foreign Currency Control Record, column 12, "dollars". The daily increase column will be the \$ equivalent of any foreign currency collections recorded in columns 4.A and 4.B of the DD Form 2663 plus the dollar equivalent of any foreign currency purchase recorded in column 5.A and 5.B. In addition any currency fluctuation gains will be recorded in this area also. (Ensure DD Form 1131, Collection Voucher, is processed in IPC to appropriation 57*6763.0001 380100 as an increase). The daily decrease column will be the \$ equivalent of any disbursement made and recorded in Column 8, plus any deposits in Column 9, plus any loss for currency fluctuation recorded in column 10. (Ensure DD Form 1131, negative collection voucher, is processed in IPC to appropriation 57*6763.0001 380100 as a decrease) (reference DoDFMR 7000.14-R, Volume 5, paragraph 190205.A).

(7) Line 6.2A, US Currency/Coin on Hand, the daily increase column should include cashier and agents moneys returned to the DO via DD Form 1081, any check exchanged for cash, plus cash collections. The daily decrease column should include any cash advanced to an agent plus disbursements made during the business day. The Month To Date column should agree with the total of all cash held within the DO's vault (regardless of the funds holder) (DoDFMR 7000.14-R, Volume 5, paragraph 190205.B).

(8) Line 6.2B, Foreign Currency on Hand. This should agree with column 11a of DD Form 2663 and the actual foreign currency cash contained within the vault (regardless of fund holder) (DoDFMR 7000.14-R, Volume 5, paragraph 190205.C).

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(9) Line 6.3A, Undeposited Collections, see DoDFMR 7000.14-R, Volume 5, paragraph 190205.D.

(10) Line 6.5, Funds with Agents. The total of this line should agree to the total of all DD Form 1081's maintained for each agent, imprest, and change fund (DoDFMR 7000.14-R, Volume 5, paragraph 190205.G). Increases and decreases reflect DD Form 1081 transactions, vouchers, checks, EFTs.

(11) Line 7.I, Deferred Voucher. These are vouchers which have been paid (usually by an agent) but their accountability hasn't been updated in the MAFR. Don't process these vouchers into IPC until they're to be recorded in MAFR (DoDFMR 7000.14-R, Volume 5, paragraph 190205.L).

(12) Lines 7.2A & 7.2B. Accounts Receivable. Should reflect the balance of all Accounts Receivable files maintained in the Disbursing Division (DoDFMR 7000.14-R, Volume 5, paragraph 190205.M & N)

(13) Line 7.3, Loss Of Funds. The total of this line should agree with the cumulative total on the DD Form 2667. The daily increase/decrease columns will reflect current business day losses and gains (DoDFMR 7000.14-R, Volume 5, paragraph 190205. O).

(14) Line 7.4, Dishonored Checks Receivable. This line should reflect all dishonored checks on hand as reflected on the SF Form 5515, Debit Voucher, manual log (DoDFMR 7000.14-R, Volume 5, paragraph 190205.P), if kept.

(15) All other entries needed on the DD Form 2657 are explained in various subsections of DoDFMR 7000.14-R, Volume 5, paragraph 190205.

(16) Consolidate all DD Forms 2657 by adding the columns of each DD Form 2657 together after receiving them from the Financial Services Offices. The totals of all DD Form 2657's, line 11.0, should agree with the consolidated DD Form 2657. Research and work any out of balances.

b. FSO: Same as OPLOC instructions below with the following exceptions:

(1) Item (16) below is not applicable to the FSO.

(2) After completion and final balancing of the DD Form 2657, the Financial Services Office notifies and forwards a copy via FAX to the OPLOC indicating that they are in balance.

c. ANG:

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Not applicable.

12. TASK - Process Returned and Undelivered Checks (Manual), Bonds and Mailed Remittances - DD Form 2658.

NOTE: See TASK 5 for Processing of Returned and Undeliverable Centralized Checks.

a. OPLOC:

Acknowledge receipt by signing and dating the DD Form 2658, Returned and Undeliverable Check/Bond Record, received from the person designated by the DDO (must be outside of Disbursing if remittance checks). Contact the appropriate area within the OPLOC or the Accounting Liaison Office at the Financial Services Office for information concerning mailing address changes etc. Take action to ensure timely disposition of the instrument, i.e.; forwarding to new address, cancellation and/or collection. Disposition instructions are in DoDFMR 7000.14-R, Volume 5, section 0804.

b. FSO:

Same as OPLOC.

c. ANG:

Not Applicable.

13. TASK - Check Issue Verification Procedures.

a. OPLOC:

(1) DDO prints Payment Listing for business day.

(2) DDO verifies Payment Listing with Blank Check Control Log.

(3) Enter voided/spoiled checks daily into IPC utilizing the Miscellaneous Check Processing Screen (DFAS-DE 7077.6-M).

b. FSO:

Same as OPLOC.

c. ANG:

Not applicable.

14. TASK - IPC/MAFR Reconciliation Program.

a. OPLOC:

(1) Correct any IPC caused errors upon notification by the Financial Statements and Reports Branch.

(a) If MAFR is wrong, the Financial Statements and Reports Branch researches the error and notifies applicable functional area to make correction.

(b) If IPC is wrong, Accountability Branch changes IPC through IPC data entry screens or contacts appropriate Financial Services Office (DFAS-DE 7077.6-M).

(2) Correct applicable lines on the necessary DD 2657 (lines 4.1A through 4.1E) when affected.

(3) Personnel within the Disbursing Division are not authorized to make any changes to original vouchers.

b. FSO:

(1) When contacted by the OPLOC, perform necessary research/corrections of errors.

(2) Adjust lines on DD 2657 (4.1A through 4.1E) when necessary.

(3) Correct invalid appropriations created by the IATS upload as soon as received. This will reduce the number of discrepancies on the IPC/MAFR recon.

c. ANG:

When contacted by the OPLOC, perform necessary research.

15. TASK - Deposit Reporting.

a. OPLOC:

(1) Maintain SF 215 and SF 5515 to support accountability entries for 6 years and 3 months.

(2) Create the 6J images reflecting Deposits and Debit Vouchers that have been processed within the reportable month.

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(3) Verify 6J totals with Line 4.2 on the SF 1219, Statement of Accountability, report.

(4) Forward all 6J images to the Financial Statements and Reports Branch.

(5) Check SF 215 and SF 5515 to Cash Link at least weekly.

b. FSO:

(1) Maintain copies of SF 215 and SF 5515 for at least two years to support accountability.

(2) Using IPC, create the 6J images reflecting the deposits and debit vouchers that have been processed within the reporting month.

(3) Verify 6Js with lines 4.2A and 4.2B on the DD 2657 on a daily basis.

(4) Forward confirmed copies to the OPLOC to arrive no later than the last calendar day of the reporting month.

c. ANG:

Not Applicable.

16. TASK - Imprest/Change Fund and Agent Procedures (Local Area) (Manual).

a. OPLOC:

(1) Change Fund: In the event that a Change Fund needs to be established directly from the OPLOC, follow procedures outlined in the FSO section. The documentation used to support funds issued to agents will be accomplished using the applicable FSO DD Form 2657, line 6.5, and the FSO files. The DO (or DDO if listed in instructions) will coordinate on the letter of appointment. After signed, the original of each letter is returned to the OPLOC for filing in the agent's folder.

(2) Imprest Fund: **(Classified , overseas, and waivers only.)** In the event that an Imprest Fund needs to be established directly from the OPLOC, follow procedures outlined in the FSO section. The OPLOC receives the endorsed request for appointment and prepares the Letter of Appointment and Letter of Instruction to the DDO at the FSO for processing. After signed, the original of each letter is returned to the OPLOC for filing in the agent's folder.

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(3) Disbursing Agents: In the event these agents need to be established directly from the OPLOC, follow procedures outlined in the FSO section.

(4) Paying Agents: In the event these agents need to be established directly from the OPLOC, follow procedures outlined in the FSO section.

b. FSO:

NOTE: This applies only if the DDO has been delegated to concur on appointment.

(1) Change Fund:

(a) Establish and appoint in accordance with DoDFMR 7000.14-R, Volume 5, section 0208. Change funds are established to make change in conjunction with sales transactions.

(b) Issuance of Change Fund Documentation is in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 030404.

(c) Advance of Funds is accomplished in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 030401.

File original initial advance, the DD Form 1081, Statement of Agent Officer's Accountability, the signed original appointment letter, and signed original Letter of Instruction, in the agent folder at the FSO.

(2) Imprest Fund: **Classified, overseas, and waivers only.**

(a) Establish and appoint in accordance with DoDFMR 7000.14-R, Volume 5, section 0209, and DFAS-DE 7010.1-R. Imprest funds are established to make small purchases of supplies and services only when an IMPAC card can't be used.

(b) Fund limits is in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 020903.

(c) Issuance of Imprest Fund documentation is accomplished in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 030403.

(d) Advance of funds is accomplished in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 030403.B.

(e) File the original advance, DD Form 1081, and signed Original Letters of Appointment and Instruction for each Imprest Fund Account at the FSO.

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(f) FSO does not process reimbursement vouchers. Any request for replenishment will be forwarded directly to the OPLOC by the agent.

(3) Disbursing Agent:

(a) Establish and appoint in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 020602.C., and DFAS-DE 7010.1-R. Disbursing agents are established to operate a permanently located disbursing office of considerable size that is geographically separated from the DO's office.

(b) A cash authority is submitted semi-annually and funds are limited according to its approved amount.

(c) The appointment is accomplished in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 020602.C.

(d) A turn-in is required monthly, but preferred weekly.

(e) File the original initial advance, DD Form 1081, and signed original letters of appointment and instruction for each disbursing agent at the FSO.

(4) Paying Agent:

(a) Establish and appoint in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 020604, and DFAS-DE 7010.1-R. Paying agents are established to perform a specific mission for a specific period of time. Paying agents may be appointed only when adequate payment, currency conversion, or check cashing service cannot be provided otherwise.

(b) Funds are limited to the least amount necessary to perform the specific mission for which he/she was appointed.

(c) The appointment is accomplished in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 020604.B.

(d) A turn-in to the FSO is required monthly, but preferred weekly.

(e) File the original initial advance, DD Form 1081, and signed original Letters of Appointment and Instruction for each paying agent at the FSO.

c. ANG:

(1) Change Fund:

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(a) Establishment and appointment will be accomplished in accordance with DoDFMR 7000.14-R, Volume 5, section 0208.

(b) Issuance of Change Fund Documentation will be in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 030404.

(c) Advance of Funds will be accomplished in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 030401.

Send to host a copy of DD Form 1081, Statement of Agent Officer's Accountability, and approval letter to the OPLOC.

(2) Imprest Fund: **Classified, overseas, and waivers only.**

(a) Establishment and appointment will be accomplished in accordance with DoDFMR 7000.14-R, Volume 5, section 0209, and DFAS-DE 7010.1-R.

(b) Fund limits will be in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 020903.

(c) Issuance of Imprest Fund documentation will be accomplished in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 030401.

(d) Advance of funds will be accomplished in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 030403.B.

(e) Send to host a copy of the DD Form 1081 for each Imprest Fund Account to the Accounting Liaison Office for further processing.

17. TASK - Daily Voucher Controls.

a. OPLOC:

(1) Use IPC generated Voucher Control Log to ensure it agrees with each functional area and that all voucher numbers are accounted for and entered into accountability records. Ensure that reflected "Missing Vouchers" are systematically accounted for.

(2) Original Vouchers are maintained in a locked container within a secured area.

(3) When verifying vouchers, if other than a cash voucher is missing, obtain a copy of the voucher from the applicable functional area; stamp it "Duplicate Original" and include with the remaining vouchers. Any missing vouchers paid in cash are processed as a loss of funds if the payee can't be located/reached to reaccomplish.

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b. FSO:

Same as OPLOC.

c. ANG:

Same as the OPLOC numbers 2 and 3.

18. TASK - Dishonored Checks.

a. OPLOC:

(1) Dishonored Checks Other than Accommodation Exchange:

(a) Process SF 5515, Debit Voucher, in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 040301.

(b) Contact the applicable functional area to obtain a negative collection within 24 hours for processing.

(c) After processing the negative collection voucher, forward the dishonored check and a copy of the collection voucher to the applicable functional area for distribution to collection organization for recollection.

(2) Dishonored Check for Accommodation Exchange:

(a) Process in accordance with DoDFMR 7000.14-R, Volume 5, section 040302. No voucher is prepared to reduce a previous collection.

(b) Upon collection, prepare a "CW*" voucher using an OF 1017G, Journal Voucher.

(c) If the dishonored check was for cash, disbursing will perform collection action in accordance with DoDFMR 7000.14-R, Volume 5, chapter 29.

b. FSO:

Same as OPLOC.

c. ANG:

Not applicable.

19. TASK - Check Issue Reporting (Semimonthly).

a. OPLOC:

(1) ★This report is due for the 1-15th and 16th through the end of month.

(2) Interface the Civilian Payroll (if under AFSCAPS) files utilizing instructions included within DFAS-DE 7077.6-M.

(3) Run the following IPC products to verify accuracy of input before running final check report:

(4) Missing Check Data Report (reference DFAS-DE 7077.6-M).

(5) Schedule of Voided/Spoiled Checks (reference DFAS-DE 7077.6-M).

(6) Produce treasury files within IPC utilizing DFAS-DE 7077.6-M.

(7) Transfer Treasury Data File in accordance with DFAS-DE 7077.6-M.

(8) Contact the Defense MegaCenter (DMC) for the identification number (reel number) assigned to your check issue processing back-up tape.

(9) Follow up by accessing the option ACK (using CICSR3 in the DJMS system) to ensure that the check issue information has been received by DFAS-DE/ADAAC.

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b. FSO:

No action required.

c. ANG:

Not applicable.

20. TASK - Reports (Monthly).

a. OPLOC:

(1) Prepare consolidated SF 1219. Verification of figures will be accomplished in accordance with DoDFMR 7000.14-R, Volume 5, chapter 19, section 1905. Request, Part IV of the Appropriation Accountability Report to ensure the totals reported are in agreement. Do not finalize an SF 1219 until the totals on Part IV agree with the SF 1219. Distribution will be as follows: Original and a copy is forwarded to the Financial Statements and Reports Branch for forwarding to DFAS-DE and file retention. Another copy will be maintained within the section for file retention.

(2) Send DD Form 2666, Transmittal of Statements and Vouchers, to DFAS-DE. Equivalent automated forms may be used (DFAS-DE 7077.6-M). Further instructions are included within the Voucher Controls and Disposition, Task 17, Disbursing Division (DoDFMR 7000.14-R, Volume 5, chapter 20).

(3) Prepare SF 1179, Month-End Check Issue Summary, (DoDFMR 7000.14-R, Volume 5, section 0904).

(a) Due date for the report is on or before the 10th calendar day of the month (DoDFMR 7000.14-R, Volume 5, paragraph 090404).

(b) Verify check balance with SF 1219 including adjustments for FMS Form 5206, Advice of Check Issue Discrepancy from Treasury, and OF 1017G.

(c) Provide a copy to the Financial Statements and Reports Branch to be filed with the RCS: HAF - ACF (M) 7113 report.

(d) Distribution will be accomplished in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 090404.

(4) Prepare SF 1186, Transmittal for Transportation Schedules and Related Basic Documents.

(5) Receive a FMS voucher retrieval to identify FMS vouchers and attach appropriate vouchers to be sent to DFAS-DE/WADR. Notify FSOs if they have vouchers listed.

(6) Statement of Designated Depository Account RCS: HAF (M) 7186 (GA) (Manual). Send to DFAS-DE at end of month following the reportable month (DoDFMR 7000.14-R, Volume 5, paragraph 140902).

b. FSO:

(1) Prepare DD Form 2666. Prepare same as OPLOC instructions.

(2) Prepare Statement of Designated Depository Account. Prepare same as OPLOC instructions.

(3) Mail boxed documents to DFAS-DE/WADR no later than the 6th workday after the end of month processing in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 200303.C.

c. ANG:

(1) Prepare DD Form 2666. Prepare same as OPLOC instruction. This will be used for travel vouchers only.

(2) Mail boxed documents to DFAS-DE/WADR no later than the 6th workday after the end of month processing in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 200303.C.

21. ★TASK - Other Cash Procedures (As Required).

a. OPLOC:

(1) Cash-on-hand authority:

(a) Receive completed cash-on-hand authority requests from the FSOs by March 1 and September 1.

(b) Consolidate input, obtain OPLOC DO's signature, and send to Director of the OPLOC for approval. (See attachment 1.)

(c) After approval, the requests are disseminated to the applicable Financial Services Office with a copy of the approval maintained at the OPLOC.

(2) Cash Verification:

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(a) Quarterly, the OPLOC Director requests (by letter) the applicable Installation/Wing Commander appoint a cash verification team.

(b) Return the original report to the OPLOC Director. Distribute the copies as follows: Forward one copy to the FSO, one copy to the Base/Wing commander, one copy to the OPLOC Deputy Director for Finance, and one copy to Internal Audit (DI).

(c) Review copy of the report to ensure compliance with Appendix A, DoDFMR 7000.14-R, Volume 5, and the DO Cash Verification Guide, October 1995.

(d) Coordinate with the applicable FSO on necessary corrective actions.

(3) Loss of Funds/Overages: All loss of funds go through the OPLOC.

(a) Specific procedures are located in DoDFMR 7000.14-R, Volume 5, chapter 6.

(b) Major Physical Losses: (\$750.00 or more or any physical loss where there is evidence of fraud.) Contact DFAS-DE/CS for instructions on preparing the report. DSN 926-7904. General guidance is located in DoDFMR 7000.14-R, Volume 5, section 0603.

(c) Minor Physical Losses (Over \$300.00):

1 Minor Physical Losses Over \$300.00 but less than \$750.00. Losses will be recorded on DD Form 2667, Subsidiary Accountability Record. The OPLOC has the responsibility for reviewing all Loss of Funds Reports and consolidating them for submission to DFAS-DE/CS. Preparation instructions are located in DoDFMR 7000.14-R, Volume 5, paragraph 060402.C.2.

2 Minor Physical Losses \$300.00 or less. Preparation instructions are located in DoDFMR 7000.14-R, Volume 5, paragraph 060402.C.1.

(d) Preparation of the report:

1 Each FSO will have a continuous running DD Form 2667 for their site. A new DD Form 2667 is begun whenever there is a change in account holder. The DD Form 2667 will record daily losses, recoveries, and any relief or denial of relief action. Each quarter, the FSO will prepare a quarterly loss of funds report and forward the report to the OPLOC. The OPLOC will consolidate these reports for

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submission to DFAS-DE/CS. Ensure required investigations are included. A complete copy of the consolidated quarterly report will be retained.

2 ★If relief is granted, DFAS-DE will keep a copy of the relief letter and forward the original to the OPLOC for forwarding to the applicable FSO. The OPLOC will keep a copy. The FSO will prepare a one sided SF 1081, Voucher and Schedule of Withdrawal Credits, citing the accounting classification provided by DFAS-DE/CS. The FSO will follow the instructions on the letter to obtain relief of the loss. In all cases, reduce line 7.3 (or 9.3) and increase line 4.1A on the DD Form 2657.

3 ★If relief is denied, keep a copy of the denial letter and forward the original to the FSO for processing in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 061008. If the FSO is unable to effect collection for any reason (e.g., out of service debt, etc.) the package should be forwarded to the DO for submission to DFAS-DE/FYDE (Out of Service Debts).

4 ★Illegal, Incorrect, or Improper (Erroneous) Payment. The DO shall report all erroneous payments to the commander. In addition, the DO must take aggressive action to recoup the amount of an erroneous payment from the recipient. If recoupment is made, the proceeds are credited to the appropriation charged when the disbursement was made. If recoupment is not effected within 90 days of continuous aggressive collection action, the case file is submitted to DFAS-DE/FYDE for further collection action. The DO must also submit a request for relief of liability through the commander and the chain of command. The request for relief should reference the date the case was forwarded to DFAS-DE/FYDE for further collection action. DoDFMR Volume 5, sections 0605, 0607 - 0610, and appendix c.

5 Overage of Public Funds. Do not offset any overage of funds against a physical loss of funds unless they obviously relate and the relationship can be documented. An example of an obvious relationship would be if the foreign currency on hand is short and U. S. currency on hand is over by equal U. S. equivalent. Do not offset apparent related overages against shortages if the shortage and overage occurred on different business days. An overage of funds shall be collected into suspense account 57F3875 pending a determination of where the overage properly belongs. If no proper location can be determined, it shall be transferred to the Treasury Miscellaneous Receipt Account 57 1060.

b. FSO:

(1) Cash on Hand Authority:

(a) For preparation instructions, see attachment 1 & 2.

(b) Forward to the OPLOC Disbursing Section, by March 1 and September 1 to allow for final approval by April 1 and October 1 each year.

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(c) Upon receipt of approved authority file in a secured area.

(2) Cash Verification:

(a) Verify the appointment of and identification of the individuals requesting to perform the Cash Verification.

(b) Ensure compliance with the instructions in DoDFMR 7000.14-R, Volume 5, Appendix A and DO Cash Verification Guide of October 1995.

(3) Loss/Overages of Funds: All loss/overages of funds go through the OPLOC.

(a) Specific procedures are located in DoDFMR 7000.14-R, Volume 5, section 0606.

(b) Major Physical Losses: (\$750.00 or more or any physical loss where there is evidence of fraud.) Contact DFAS-DE/CS for instructions on preparing the report. DSN 926-7904. General guidance is located in DoDFMR 7000.14-R, Volume 5, section 0603.

(c) Minor Physical Losses (Over \$300.00):

1 Minor Physical Losses Over \$300.00 but less than \$750.00. Losses will be recorded on DD Form 2667, Subsidiary Accountability Record. Preparation instructions are located in DoDFMR 7000.14-R, Volume 5, section 0604.

2 Minor Physical Losses \$300.00 or less. Preparation instructions are located in DoDFMR 7000.14-R, Volume 5, paragraph 060402.C.1.

(d) Preparation of the report:

1 There should be a continuous running DD Form 2667. A new DD Form 2667 isn't begun unless the account changes hands. The continuous DD Form 2667 will record daily losses and recoveries and any relief or denial of relief action presented. At the end of each quarter, prepare a DD Form 2667 to be used for the quarterly loss of funds report submission to the OPLOC for submission to DFAS-DE/CS. The information to complete the quarterly report will be taken from the continuous DD Form 2667. Only transfer those items which haven't been recovered to the quarterly report. Prepare report in accordance with the format in figures 6-3 and 6-4 in the DoDFMR 7000-14.R, Volume 5. Minor losses of funds will have a completed investigation filed with the cumulative record, within seven (7) calendar days of the date the loss was discovered. These reports of investigation are then included with the quarterly report submission. A complete copy of the consolidated quarterly report submission will be retained.

2 ★If relief is granted, the Denver Center will forward a letter to the DO at the OPLOC stating relief is granted. The OPLOC will keep a copy of the letter and forward to the FSO. Upon receipt, prepare a one sided SF 1081, Voucher and Schedule of Withdrawal and Credits, citing the accounting classification provided by DFAS-DE/CS. Follow the instructions on the letter to obtain relief of the loss. Reduce line 7.3 (or 9.3) and increase line 4.1A of the DD Form 2657.

3 ★If relief is denied, process in accordance with DoDFMR 7000.14-R, Volume, paragraph 061008. If unable to effect collection for any reason, (e.g., out of service, etc.) forward the case file to the OPLOC, and keep a copy at the FSO. The OPLOC will forward the case file to DFAS-DE/FYDE (Out of Service Debt Establishment) for further collection.

4 ★Illegal, Incorrect, or Improper (Erroneous) Payment. Report all erroneous payments to the DO. In addition, take aggressive action to recoup the amount of an erroneous payment from the recipient. If recoupment is made, the proceeds are credited to the appropriation charged when the disbursement was made. If recoupment is not effected within 90 days of continuous aggressive collection action, the case file is submitted to the OPLOC for consideration of further action (such as an investigation). The OPLOC will then submit the entire package, along with the investigation, to DFAS-DE/FYDE for debt establishment , and to DFAS-DE/CS for request for relief. DoDFMR 7000.14-R, Volume 5, sections 0605, 0607 - 0610, and appendix C.

5 Overage of Public Funds. Do not offset any overage of funds against a physical loss of funds unless they obviously relate and the relationship can be documented. An example of an obvious relationship would be if the foreign currency on hand is short and U. S. currency on hand is over by equal U. S. equivalent. Do not offset apparent related overages against shortages if the shortage and overage occurred on different business days. An overage of funds shall be collected into suspense account 57F3875 pending a determination of where the overage properly belongs. If no proper location can be determined, it shall be transferred to the Treasury Miscellaneous Receipt Account 57 1060. A separate DD Form 2667 must be kept to record gains. This DD Form 2667 is kept by quarter, and submitted to the OPLOC.

c. ANG:

Not applicable.

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22. TASK - Miscellaneous Check Responsibilities (Treasury and Limited Depository Account (LDA)).

a. OPLOC:

Note: Operating Location will have input and inquiry capability through DJMS into Level 8 and Unavailable Check Cancellation System (ACC)(On-line Automated Systems at the Denver Center).

(1) Safeguard and maintain check stocks.

(2) Process check-issue discrepancies:

(a) Receive FMS Form 5206. (Manual).

(b) Process the transactions necessary to record the FMS 5206 into accountability (DoDFMR 7000.14-R, Volume 5, section 0706).

(3) Process replacement checks:

(a) Receive letter or DD Form 2660, Statement of Claimant Requesting Recertified Check (DoDFMR 7000.14-R, Volume 5, paragraph 080505 and HUM 1, Part B, paragraph 15).

(b) Process unavailable check cancellation requests using ACC.

(c) Provide the appropriate branch a copy of the DD Form 2660 and DAS (Daily Advice of Status) response (if applicable). These documents will be used to substantiate the preparation of the replacement check voucher. No recertified check payment can be made without these documents from the Disbursing Division. Checks may be replaced with a check citing the original appropriation or a current year appropriation used for the same purpose (DoDFMR 7000.14-R, Volume 5, paragraph 080501 and 080512.F).

(d) The Disbursing Section will maintain either a manual or mechanized subsidiary ledger for 57F3880 in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 080512 and HUM 1, Part A, paragraph 13. There must be an individual file to substantiate each line of the subsidiary ledger (DoDFMR 7000.14-R, Volume 5, paragraph 080512). The DO or primary deputy reviews the ledger monthly and certifies the balance quarterly to ensure all necessary actions are taken to clear these accounts.

(e) Log the information into DD Form 2662, Recertified Check Register.

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(f) Once the SF 1184, Unavailable Check Cancellation Request to Stop Payment, is done, and a replacement check is issued, any original check turned in must be stamped "Void - Not Negotiable" and destroyed at the end of the quarter. (DoDFMR 7000.14-R, Volume 5, paragraph 080513.D). Destroy voided checks quarterly in accordance with DoDFMR 7000.14-R, Volume 5, paragraph 080203.C.

b. FSO:

(1) Safeguard and maintain check stock.

(2) FMS Form 5206 received for checks prepared by the FSO will be maintained at the OPLOC. The FSO will serve as the liaison for resolving FMS Form 5206 discrepancies.

(3) Assist the payee in the completion of DD Form 2660 for processing of replacement checks (if necessary).

(4) If the OPLOC has already processed an SF 1184, Unavailable Check Cancellation, through the ACC system, don't process an SF 1098, Schedule of Canceled or Undelivered Checks. If the original is turned in, stamp the original check as Void - Not Negotiable, forward to the OPLOC.

(5) If the replacement check is returned, reference DoDFMR 7000.14-R, Volume 5, paragraph 080402.B. for processing procedures.

(6) Destroy voided checks quarterly in accordance DoDFMR 7000.14-R, Volume 5, paragraph 080203.C. Forward a copy of the Certificate of Destruction to the OPLOC by end of quarter for submission with financial reports.

c. ANG:

Not applicable.

23. TASK - Foreign Currency Operations (Limited Depository Account (LDA)).

a. OPLOC:

(1) Purchase foreign currency as required for LDA (DoDFMR 7000.14-R, Volume 5, section 1302).

(2) Prepare DD Form 2664, Currency Exchange Record (Manual).

(3) Prepare reports (manual):

(a) Combined quarterly Report of Foreign Currency, RCS: HAF-ACF(Q)8405(DT) to DFAS-DE (DoDFMR 7000.14-R, Volume 5, paragraph 160202.A).

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(b) Monthly report-SF 1149, Statement of Designated Depository Account (Manual) (DoDFMR 7000.14-R, Volume 5, paragraph 140902).

(4) Maintain LDA (DoDFMR 7000.14-R, Volume 5, chapter 14).

NOTE: The LDA account balances should be maintained at the minimum amount necessary to meet immediate disbursement needs. Unlike the DO's Treasury General Account (TGA) account for the issuance of Treasury checks, foreign currency must be deposited into the LDA before checks can be written against it. This account works very similar to one's personal checking account. Checks can be purchased from the foreign bank maintaining the DO's LDA. Foreign currency cash and checks are stored, handled, and secured in the same manner as U.S. currency and Treasury checks. LDAs are established to issue checks payable in the local foreign currency for payments to local vendors who provide the military base with goods and services. Disbursement vouchers for payment in foreign currency are prepared by applicable functional areas in the same manner as vouchers for U.S. Treasury checks. These vouchers must also contain the same essential data as disbursement vouchers prepared for payment by U.S. Treasury check: Voucher heading and date, accounting classification, amount to be disbursed, method of payment (cash or check), and payee. The amount to be paid will be in foreign currency, therefore, somewhere on the voucher, the exchange rate and U.S. dollar equivalent must be shown. The Disbursing Division enters the exchange rate daily into IPC which provides the U.S. dollar equivalent for all vouchers and reports systematically created. Foreign currency collections are received and processed the same as U.S. dollar collections. However, in order for the collection to be recorded into IPC, the foreign currency must be converted to U.S. dollars. This is done by dividing the foreign currency amount by the current business day's exchange rate that was loaded in IPC. This conversion is included on the vouchers by the functional area preparing the voucher. Foreign currency deposits are made according to the foreign banks' instruments and deposited into the LDA, if the currency is in excess of requirements. All foreign currency transactions must be recorded on the DD Form 2663, Foreign Currency Control Record. The DD Form 2663 shows current balances of foreign currency cash on hand (foreign currency held by the DO, deputies, cashiers, and other agents of the DO), current balances maintained in LDAs and the detailed transactions that increase or decrease these balances. A separate DD Form 2663 shall be maintained for each type of foreign currency used. The DD Form 2663 is prepared in accordance with detailed instructions in the regulation.

(5) Maintain DD Form 2663 (manual).

(6) Using IPC Miscellaneous Processing Menu:

(a) Establish valid foreign currency codes in IPC using the Modify Currency Status Screen.

(b) Establish check format in IPC for check printing using the Check Image Processing Screen.

(c) Establish foreign currency exchange rate as required.

(d) Establish account status in IPC using the LDA Processing Screen as Required.

(7) Prepare gain/loss voucher (manual).

b. FSO:

LDAs are normally held by the OPLOC. Procedures are the same as OPLOC (if an LDA is authorized).

c. ANG:

Not applicable.

24. TASK - Process Deposit Out-of-Balances With the U.S. Treasury.

a. OPLOC:

NOTE: Deposit discrepancies occur when a SF 215 or SF 5515, reported by the Disbursing Division doesn't match the data reported by the depository (bank) or FRB that accepted the deposit/debit voucher. DFAS-DE will notify the Disbursing Division to determine the cause of the discrepancy and to take corrective actions. If not corrected within 6 months, a By-Others transaction will be charged/credited to 57F3878. Treasury maintains a high level of interest on all items associated with the 57F3878 deposit fund account. The DO or primary deputy shall review monthly and certify quarterly the balance of account 57F3878 to ensure action is being taken in accordance with DoDFMR 7000-14.R, Volume 5, paragraph 050401 and HUM #1, section A, paragraph 8. Each time there is a change of DO's, balances in this account shall be validated by the incoming DO. If the departing DO cannot provide the incumbent DO with documentation supporting the 57F3878 items, the departing DO shall process all unsupported debit balance items as a loss of funds.

b. FSO:

The OPLOC will receive all deposit tickets and debit vouchers resulting from deposit discrepancies. The DDO will be responsible for research/corrections or contacting the local depository for corrective action.

c. ANG:

Not applicable.

25. TASK - End of Fiscal Year Procedures.

a. OPLOC:

Last day of fiscal year business will be carried through the last calendar day of the year(i.e., the 30th of September's business day will include calendar day 29th and 30th). Remember, when you start processing for October, you are working one day ahead, so you will skip one business day. For example, if you start processing for October on the 2nd, you will use the 3rd as the first business day. Ensure that before the business day is begun for the new fiscal year, that the appropriation record update table has been loaded into "TT" by the DMC. Start voucher numbers at 1 for the new fiscal year.

b. FSO:

Any questions about fiscal year end processing should be referred to the OPLOC.

c. ANG:

Same as FSO.

d. AFRES:

Follow instructions provided by the OPLOC.

26. TASK - Procurement of U.S. Treasury Check Stock.

a. OPLOC:

A 6-month supply of checks should be on hand at all times. It takes over three months to receive checks, so the check order should be made at the 6-month point. A minimum of three separate series of checks will be maintained - one for payroll checks, one for the OPLOC, and one for each FSO. Check ordering procedures are outlined in DoDFMR 7000.14-R, Volume 5, section 0702.

b. FSO:

Contact the OPLOC for additional checks when stock falls below the 6-month level.

c. ANG:

Not applicable.

ATTACHMENT 1

SUMMARIZATION OF DO/DDO CASH AUTHORITY REQUESTS

Each Financial Services Office, DDO, and Disbursing Agent, prepares a separate cash authority request. The DDO prepares an original and one copy; and submits to the DO for consolidation. The DO prepares an original and one copy of a cover letter summarizing DO and DDO requests as shown in figures 1 and 2. Note, that though an Office of Special Investigation (OSI) paying agent is listed separately in the summary (that is, though these funds are shown in line 6.5 of the DD Form 2657, they are not to be considered part of the DO's personal cash authority).

Distribution of Cash Authority Requests. Financial Service Office DDOs keep a copy and submit the original and one copy to their principal DO after endorsement by their own comptroller and installation/vice wing commander. The DO keeps a copy of all DDO requests and a copy of his/her own request. The DO sends the originals and a copy for endorsement to the OPLOC director for approval. For PACAF and USAFE, the DO sends the requests through the comptroller and commander to the MAJCOM for approval. Upon approval, the OPLOC director returns approved originals plus a copy of all DDO cash authorities to the DO. The DO retains his/her own original plus DDO copies and sends DDO originals to applicable DDOs.

Filing the Approved Cash Authority. In order not to call attention to the amount of cash being held, the DO/DDO files the approved cash authority in a secured area.

ATTACHMENT 2

PREPARATION OF THE CASH AUTHORITY

(See figures 1 and 2 of this attachment.)

A. Part A - General:

1. Regular Semi-Annual or Recompute Request. Show whichever applicable, including date request is to be in effect.

2. Safekeeping Facilities. Make a statement with respect to the adequacy of safekeeping facilities. Indicate (building number, floor, etc.) where facilities are located.

3. Source of Cash and Replenishment Time. For both United States (U.S.) and foreign currencies maintained, show the source (name of bank, other Disbursing Officer (DO), etc., and address) and normal time required to acquire cash from these sources.

4. Current Cash Authority. For both U.S. and foreign currencies maintained, show the fixed and variable cash authority currently in effect at time of submission of a new request.

Stating the Foreign Currency Cash Authority in Foreign Currency Units. State the foreign currency cash authority request and the approved foreign currency cash authority in foreign currency units. The additional stating of the foreign currency cash authority request and cash authority in a U.S.-dollar equivalent of the foreign currency units is a DO option. Foreign currency units are used in determining whether the DO is within the approved foreign currency cash authority. That is, if the number of foreign currency units held are equal to or less than the number of foreign units. The foreign currency fixed operating cash authority is an absolute, and must not be exceeded as the supplemental agreement will probably be negotiated by the unified commander, MAJCOM, or DFAS-DE.

B. Part B - Historical Cash Requirements. Compute the following based upon 3 months history. If history is unavailable (as would be the case in a new organization) or does not provide comparable data because of mission change (or other reasons), use the best data available. Consider acquiring data from a comparable size installation.

1. Average Daily Operating Cash Requirement (ADOOCR). In order to determine the maximum amount of operating cash that may be held, the DO must first compute an ADOOCR. Use historical data from any consecutive 3-month period of the previous 12 months. Exclude military paydays (including the day before and the day after) and accommodation exchange cash. Consider cash (not check, food stamps, etc.) receipts as well as cash disbursements in the computation. If cash receipts are not separately tracked, an approximation may be compiled by deducting deposits from total collections. The

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difference may be presumed to be held by the DO for use. If, because of cash receipt considerations, the ADOCR is trivial, zero, or negative, see paragraph c(1).

On occasion, DO's receive cash with no collection voucher being required (for example, purchases from individuals, postal units, AAFES tactical field exchanges). Since the acquisition of such cash amounts is usually on an unpredictable basis and is usually in exchange for a Treasury check issue, such amounts should not be considered a cash receipt for computation of the ADOCR. Rather, the acquisition of such cash should be considered as a cash replenishment itself (just as if acquired from the DO's regular cash source). The normal replenishment should of course be reduced by such amounts if they are material in nature

When computing the foreign currency ADOCR, two factors are involved: foreign currency on hand and foreign currency on deposit in Limited Depository Accounts (LDAs) (line 6.1 and 6.2 of SF 1219, Statement of Accountability). From a Treasury point of view, both are considered foreign currency on hand. Compute the foreign currency ADOCR by considering foreign currency cash disbursements. Consider any foreign currency receipts. However, do not consider currency deposits to an LDA as a foreign currency receipt.

2. Average Payday Operating Cash Requirement (APOCR). Compute an APOCR for the payday periods excluded in the computations of ADOCR in (1) above. Compute a separate APOCR for U.S. and foreign currency (if applicable). Consider cash receipts as well as disbursements in computing the APOCR (see paragraph (1) above). Note that the APOCR is a daily average of cash required around payday and not an average for the total time the cash is required.

3. Average Daily Accommodation Cash Requirement (ADACR). Consider U.S. and foreign currencies held for accommodation currency exchanges for check cashing. This category of requirements is usually applicable to overseas bases only, compute the ADACR from the same 3-month period used in (1) above, excluding peak payday (military, civilian, contractors, etc.) requirements. As in (1) above, exclude the day before and day after (as applicable), compute the ADACR on the basis of accommodation cash (not checks or other negotiable instruments) receipts as well as cash paid out. If, because of cash receivables, the ADACR is trivial, zero, or negative, see paragraph c(2) below. Compute a separate ADACR for U.S. and foreign currencies.

4. Average Payday Accommodation Cash Requirement (APACR). This category of requirements is usually applicable to overseas bases only. Compute the APACR for the peak days excluded in computation of the ADACR in (3) above. Compute a separate APACR for U.S. and foreign currencies. Consider accommodation cash receipts (see paragraph (3) above) as well as payout in computing the APACR. Note that the APACR is a daily average of cash required around payday and not an average for the total time the cash is required.

C. Part C - Fixed Authority:

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1. Operating Cash. Compute the maximum amount of U.S. and foreign operating currency that may be held by multiplying the respective ADOCRs shown in part B1 of the cash authority request (see paragraph b(1) above) by the factor shown in Table 3-1 of the DoDFMR 7000.14-R, Volume 5 applicable to the cash replenishment time. Because of the requirement to reduce cash disbursements by the amount of cash receipts, a trivial, zero, or negative operating cash authority could result. The minimum amount to enter on the cash authority request is one-day's average disbursements without consideration of receipts. Table 3-1 is only a guide; it's not an automatic authority to hold cash in the amount computed. If results obtained from table 3-1 exceed the actual cash requirements, request only the amount needed. Also, upon receipt of complete DO justification, the MAJCOM or DFAS-DE is authorized to approve up to an additional day (that is, one times the ADOCR) of operating cash.

2. Accommodation Exchange Cash. The foreign currency ADOCR is based on both foreign currency cash disbursements, and foreign currency LDA disbursements. The amount of foreign currency operating cash shown under line 1 of the fixed authority represents the total foreign currency that may be held, whether held on hand (in the vault) or in an LDA.

Many DO's are able to maintain desirable zero-balance LDAs where daily deposits to the LDA cover only the checks written that day. Since by definition, the LDA balance is always zero (or near zero), the foreign currency operating cash authority (except for any foreign currency cash disbursements) should be zero. However, since zero LDA cash authority may be considered unrealistic in view of the fact daily LDA disbursements are actually being made, MAJCOMs or DFAS-DE are authorized to approve inclusion of an average day's LDA disbursements in the foreign currency cash authority (without increasing the amount by a factor from table 3-1). To this amount add the amount of foreign currency cash receipts. A foreign currency cash disbursement additive is normally not applicable.

3. Imprest Fund Cashier. Total the amount of imprest funds issued to obtain this amount.

4. Change Fund Custodian. Total the amount of change funds issued to obtain this amount.

5. Cash Held for Delivery to Other DO's. This category is used when the amount is the consistent, normal, daily amount held for delivery to other DO's.

6. Other. If there are other recurring cash increase requirements whether the amount can be reasonably predicted, such amounts may be added to this part of the cash authority request. Completely explain and justify this requirement. An example could be for travel advances where the DO payments are unusually high on certain days, such as on Friday of every week.

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7. Total Fixed Authority. Enter the U.S. and foreign currency totals included in lines 1 through 6, Part C of the cash authority request.

D. Part D - Variable Authority. To avoid the need for temporary increase in cash authority when periodic cash increase requirements are recurring and predictable (for example, military payday), these increased amounts may be included as variable cash authority. On the day indicated (that is, certain paydays including the day before and day after), the DO/Agent cash authority is automatically increased by the added amounts in Part D without DFAS approval or reaccomplishment of the Cash Authority. The cash authority reverts back to Part C - Fixed Authority, amounts on hand other than the designated peak days.

1. Military Payday Cash Disbursement Additive. Compute the added amount required for cash disbursements on military payday by subtracting the ADOCR shown in Part B1 of the cash authority request from the APOCR shown in Part B2 of the cash authority request. Apply the difference against the multiply factor in Table 3-1 for the replenishment time involved. Do not use a multiply factor greater than the number of days extra cash is actually required around payday (normally about 3 days). If the difference between the ADOCR and the APOCR is trivial, zero, or negative, because of cash receipt considerations, enter the difference between an average day's cash disbursements and an average payday's cash disbursements without consideration of cash receipt. A foreign currency cash disbursement additive is normally not applicable.

2. Payday Accommodation Exchange Cash Additive. This additive normally applies to overseas bases only. Compute the added amount required for accommodation exchanges during peak payday periods and, where applicable, the day before and the day after. In addition to military payday, these peak days may involve civilian and possibly even contractor payday, depending upon for whom the DO provides accommodation check cashing service. Compute the added accommodation exchange requirement by subtracting the ADACR shown in Part B3 of the cash authority request from the APACR shown in part B4 of the cash authority request. Apply the difference against the factor in Table 3-1 for the replenishment time involved. Do not enter a figure greater than the number of days involved. Do not enter a figure greater than the number of days extra cash is required, times the difference between the A{APACR and ADACR. If because of accommodation cash considerations, the difference is trivial, zero, or negative, enter the difference between an average day's accommodation payout and an average payday's accommodation payout without consideration of accommodation cash receipts.

3. Temporary Paying Agent. If the DO can reasonably predict an average amount that will be held by paying agents that are appointed periodically throughout the fiscal year, this amount may be added to Part D3 of the cash authority request.

4. Alert/Deployment Cash. Enter the amount of cash necessary to fund the installation's most demanding alert or deployment. Since this variable cash amount will not actually be on hand until just prior to the realization of the contingency dictating the need for this cash, it is not necessary to show the minimum amount required for an alert or

deployment (that is, the maximum amount may be shown); nor is it necessary, here to consider the availability of cash from emergency cash sources.

5. Cash held for delivery to other DOs. This same category is included in Part C6 of the cash authority when the amount is consistent, normal, daily amount held for delivery to other DOs. However, if there are peak amounts held (such as on dates when cash is received by the central funding office), an estimated peak amount may be included in this section of the cash authority.

6. Other. If there are other recurring cash increase requirements where the amount can be reasonably predicted, such amounts may be added to this part of the cash authority request. Completely explain and justify this requirement. An example could be for travel advances where the DO payments are unusually high on certain days, such as on Fridays.

7. Total Variable Authority. Enter the U.S. and foreign currency totals included in lines 1 through 6, part D of the cash authority request.

E. Part E - Approvals. Enter the applicable signature blocks and obtain approval of the completed cash authority request. Note that if the cash authority request is prepared by an Accounting and Disbursing (A&D) agent or disbursing agent, both the agent and agent's commander sign the request. Agent requests then go through normal approvals of Comptroller, Commander, DO, and OPLOC Director.

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SUBJECT: Cash Authority Request		
TO: Comptroller DFAS-DE/		
<u>IN TURN</u>		
PART A - GENERAL		
1. This is a (regular annual/recomputed) request, to be effective <u>(enter date)</u> .		
2. Safekeeping facilities located on the <u>(enter floor number)</u> floor of building <u>(enter building number)</u> , Disbursing Office, are adequate at this installation as provided in chapter 3 Volume V, and chapter 10, AFI 31-209. (Authority cannot be granted if facilities are inadequate.)		
3. Source of cash and normal replacement time is:		
a.	U.S. Currency: <u>(enter source)</u>	<u>(enter replacement time)</u>
b.	Foreign Currency: <u>(enter source)</u>	<u>(enter replacement time)</u>
4.	Our current Cash Authority, effective <u>(enter date)</u> , is for:	<u>US</u> <u>FOREIGN</u>
a.	Fixed Authority:	\$XX,XXX XX,XXX
b.	Variable Authority:	\$XX,XXX XX,XXX
PART B - HISTORICAL CASH REQUIREMENTS		
1.	The Average Daily Operating Cash Requirement (ADO CR) for the 3-month period from <u>(enter date)</u> to <u>(enter date)</u> , excluding military paydays, the day before and the day after, is:	\$XX,XXX XX,XXX
2.	The Average Payday Operating Cash Requirement (APO CR) for the days excluded in 1 above is:	\$XX,XXX XX,XXX
3.	The Average Daily Accommodation Cash Requirement (ADACR) for the 3-month period in 1 above, excluding all applicable paydays and (if necessary) the day before and the day after, is	\$XX,XXX XX,XXX
4.	The Average Payday Accommodation Cash Requirement (APACR) for the days excluded in 3 above is:	\$XX,XXX XX,XXX

NOTE: Use parenthetical wording for guidance only. Do not include in letter.

Figure 1. Cash Authority Request.

PART C - FIXED AUTHORITY		
	<u>US</u>	<u>FOREIGN</u>
1. Operating Cash	\$XX,XXX	XX,XXX
2. Accommodation Exchange Cash	XX,XXX	XX,XXX
3. Imprest Fund Cashier	XX,XXX	XX,XXX
4. Change Fund Custodian	XX,XXX	XX,XXX
5. Cash Held for Delivery to Other DOs	XX,XXX	XX,XXX
6. Other (Explain)	<u>XX,XXX</u>	<u>XX,XXX</u>
7. Total Fixed Authority	<u>XX,XXX</u>	<u>XX,XXX</u>
PART D - VARIABLE AUTHORITY		
1. Military Payday Cash Disbursement Additive	\$XX,XXX	XX,XXX
2. Payday Accommodation Exchange Cash Additive <u>Identify for whom provided - Military, civilian, contractors, etc.</u>	XX,XXX	XX,XXX
3. Temporary Paying Agent	XX,XXX	XX,XXX
4. Alerts/Deployments	XX,XXX	XX,XXX
5. Cash Held for Delivery to Other DOs	XX,XXX	XX,XXX
6. Other (Explain)	<u>XX,XXX</u>	<u>XX,XXX</u>
7. Total Variable Authority	<u>\$XX,XXX</u>	<u>XX,XXX</u>
PART E - APPROVALS		
<u>(A & D/Disbursing Agent or DDO Signature)</u> applicable)	<u>(Agent's Commander Signature)</u> (if applicable)	
A & D/Disbursing Agent or DDO Name, Rank/Grade	Agent's Commander Printed Name, Rank	
Position Title	Position Title	
Organization Address <u>(Date)</u>	Organization Address <u>(Date)</u>	
(Comptroller Signature)	(Wing/Base Commander Signature)	
Comptroller Printed Name, Rank	Wing/Base Printed Name, Rank	
Position Title	Organization Address <u>(Date)</u>	
Organization Address <u>Date</u>		
(DO Signature)	(OPLOC /D	
<u>Approval Officer Signature)</u>		
DO Printed Name, Rank	OPLOC/D Approval Officer Printed	
<u>(Date)</u>		

Figure 1. Continued.

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<u>SUMMARIZATION OF DO/AGENT CASH AUTHORITY REQUEST</u>				
<u>FIXED</u>	<u>AUTHORITY</u>	<u>VARIABLE</u>	<u>AUTHORITY</u>	
<u>FOREIGN</u> <u>DOLLARS</u>	<u>U.S.</u> <u>UNITS</u>	<u>FOREIGN</u> <u>DOLLARS</u>	<u>UNITS</u>	
Host DO Request for (Enter Base Name)		\$XX,XXX	XX,XXX	
A&D Agent Request for (Enter Base Name)		\$XX,XXX	XX,XXX	
Disbursing Agent Request for (Enter Base Name)		\$XX,XXX	XX,XXX	
Current/Anticipated Paying Agents at (Enter Location if known)		\$ X,XXX	X,XXX	
OSI Paying Agent		\$ X,XXX	X,XXX	
TOTAL REQUEST		<u>\$XX,XXX</u>	<u>XX,XXX</u>	

Figure 2. Summarization of DO/Agent Cash Authority Request.

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